

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING - LOAN BUSINESS

July 21, 2004 - 12:00 P.M.

**8th & Main Building, 3rd Floor Conference Room
Richmond, Virginia**

- I. Voting members present: Hattie Hamlin, the Honorable Jody Wagner, Jeff Jones, Pallabi Saboo, and Jane-Scott Cantus.
Others present: Seth Ginther, Bob Young, Mike Eisenman, Scott Parsons, Patty Thorne, Anna Mackley Cobb, and Julie Tidvosky-Jones.

Hattie Hamlin was selected as Acting Chairman who called the meeting to order introductions were made around the room on behalf of three new board members.

- II. Approval of Minutes - On a motion by Jody Wagner, seconded by Jeff Jones, the minutes of the June 16, 2004 Board of Directors - Loan Business Meeting were unanimously approved.

III. 501 c 3 Bond Program Application

- A. Mary Baldwin College - City of Staunton - \$5,400,000. Anna Mackley Cobb reviewed for the Board this application for 501 c 3 bonds to refund balance of bond issue originally issued in 2001.

IV. PUBLIC HEARING

- A. Mary Baldwin College - City of Staunton - \$5,400,000 501 c 3 Bond. On a motion by Jeff Jones, seconded by Jody Wagner, the Board of Directors unanimously adopted an inducement resolution authorizing the issuance of 501 c 3 bonds to refund the balance of 2001 bond issue. (Hattie Hamlin abstained from the vote.)

As this project is a "bank qualified" bond transaction and the VSBFA is subject to special IRS limitations regarding these transactions which limit total issuances to \$10 million annually after issuing a

“bank qualified” bond, the Board made the approval contingent on it not being asked to approve a bond resolution of more than \$10 million to another borrower before the September Board meeting. Mary Baldwin will return in September and seek a final vote on the inducement resolution at that time.

- V. Board Review and Ratification of Loans Approved and Declined by Staff - On a motion by Jody Wagner, seconded by Pallabi Saboo, the loan decisions of \$500,000 or less approved and declined by staff for June 2004 were unanimously ratified.
- VI. Monthly Report to the Board on Loan Volume and Fiscal Year Status - Scott Parsons reviewed for the Board the monthly loan activity report for Fiscal Year to Date 2004 showing the status of the VSBFA loan portfolio.
- VII. Small Business Initiative (SBI) Report - Mike Eisenman reported that the Warner Administration is planning on hosting a financing symposium in the Spring of 2005. This symposium will showcase Virginia’s private and public-sponsored equity and debt financing offerings to entrepreneurs and existing businesses. The directors of the VSBFA were asked to provide input to Mike with regard to any ideas on this symposium.
- VIII. The meeting was adjourned.